

### **Amendments to the Specification**

Replace the abstract beginning on page 48, line 4, with the following:

Methods and compositions are provided for the treatment of defects and disease involving osteoporosis, or osteopenic conditions. The methods ~~comprises~~ comprise applying to the site of osteoporotic or osteopenic conditions a composition comprising ~~a BMP-3~~ a BMP-3 inhibitor or antagonist. The invention further provides methods and compositions for modulating or regulating the formation of bone utilizing BMP-3 compositions.